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DOCKET NO. 45391

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PUBLIC UTILITY COMMISSION
OF TEXAS

APPLICATION OF RANCH UTILITIES, §
L.P. AND EMCAD WATER AND §
WASTEWATER, LLC FOR SALE, §
TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN PARKER COUNTY §

JOINT MOTION FOR ADMISSION OF EVIDENCE AND ADOPTION OF PROPOSED NOTICE OF APPROVAL

Commission Staff of the Public Utility Commission (“Staff”), Ranch Utilities, L.P. (“Ranch Utilities”), and EMCAD Water and Wastewater, LLC (“EMCAD”) file this Joint Proposed Notice of Approval and Request to Admit Evidence on the application (“Application”) of Ranch Utilities and EMCAD for the sale, transfer, or merger of facilities and certificate rights in Parker County. Pursuant to Order No. 10, the Joint Proposed Notice of Approval (Attachment A) includes findings of fact, conclusions of law, and ordering paragraphs, and is timely filed by the deadline.

**I.
BACKGROUND**

EMCAD (“Purchaser”) and Ranch Utilities (“Seller”), collectively the “Applicants,” filed the Application with the Commission on November 24, 2015.

On February 25, 2016, Staff recommended, following a review of the Application, that the Applicants be allowed to proceed with the transaction, and Order No. 6, issued on June 30, 2016, authorized the transaction as contemplated in the Application to proceed and be consummated. Pursuant to Order No. 9, the final closing documents and a sworn statement regarding customer deposits were filed on September 22, 2017. Staff recommended on September 28, 2017 that the closing documents and sworn statements be deemed sufficient. Order No. 10 found that the closing documents and sworn statements were sufficient, and required the submission of consent forms, which were filed on October 31, 2017 (EMCAD) and November 3, 2017 (Ranch Utilities).

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II.

PROPOSED NOTICE OF APPROVAL

The Proposed Notice of Approval (Attachment A) would grant the Application for approval of the sale of a portion of the sewer system held under Seller's CCN No. 21064 in Parker County (Sugar Tree Subdivision) and the transfer of the same from Seller to Purchaser and the incorporation of such portion of the sewer system into Purchaser's new CCN. This docket was processed in accordance with applicable statutes and Commission rules. Notice of the Application was provided to affected parties. On June 30, 2016, Order No. 6 approved the sale/transfer to proceed. There are no contested issues of law or fact in the proceeding. Staff recommends approval of this proceeding pursuant to 16 TAC § 22.35 relating to Informal Disposition.

III.

REQUEST TO ADMIT EVIDENCE

The Parties request to admit the following filed in this docket into the evidentiary record in this proceeding:

- a. The Applicants' November 24, 2015 Application (Commission's automated interchange system ("AIS") Item 1);
- b. Notice of Application for Sale, Transfer or Merger (AIS Item 3, 12/3/15);
- c. Staff's Response to Order No. 1 (AIS Item 5, filed 12/29/15);
- d. Ranch Utilities' Response to Order No. 2 (AIS Item 7, 1/19/16);
- e. Staff's Supplemental Recommendation on Administrative Completeness (AIS Item 9, 2/25/16);
- f. Administrative Completion Response (AIS Item 11, 3/8/16);
- g. Ranch Utilities' Notices and Publication (AIS Item 13, 4/1/16)
- h. Ranch Utilities' Response to Request for Information (AIS Item 17, 6/13/16);
- i. Staff's Recommendation on Final Disposition (AIS Item 18, 6/29/16);
- j. Order No. 6 Approving Sale/Transfer to Proceed (AIS Item 19, 6/30/16);
- k. Joint Response to Order No. 7 and Request for Extension to File Proof of Sale (AIS Item 28, 6/5/17);

- l. Ranch Utilities' Notice of Proof that Transaction has been Consummated and Customer Deposits have been Properly Addressed (AIS Item 30, 8/25/17);
- m. Commission Staff's Recommendation on Sufficiency of Closing Documents (AIS Item 33, 9/14/17);
- n. Ranch Utilities' Amended Notice of Proof that Transaction has been Consummated and Customer Deposits have been Properly Addressed (AIS Items 35 and 36, filed 9/22/17);
- o. Commission Staff's Supplemental Recommendation on Sufficiency of Closing Documents (AIS Item 37, filed 9/28/17);
- p. EMCAD Consent Form (AIS Item 39, filed 10/31/17); and
- q. Ranch Utilities' Response to Order No. 10 (Consent Form and attached map) (AIS Item 40, filed 11/3/17).

IV.

JOINT MOTION FOR ADOPTION OF PROPOSED NOTICE OF APPROVAL

The attached Proposed Notice of Approval would grant the Application for approval of the sale of a portion of the sewer system area held under Seller's CCN No. 21064 in Parker County (Sugar Tree Subdivision) and the transfer of the same from Seller to Purchaser and the incorporation of such portion of the sewer system into Purchaser's new CCN.

V.

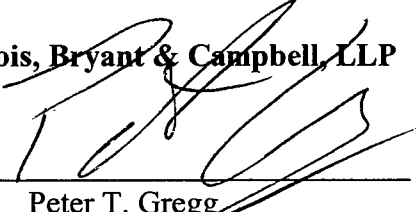
CONCLUSION

Staff and EMCAD have reviewed this filing and are in agreement with its contents. Therefore, the Parties respectfully request that the Commission grant the joint motions to admit the evidence specified above and adopt the attached proposed Notice of Approval.

Respectfully submitted,

DuBois, Bryant & Campbell, LLP

By: _____


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CERTIFICATE OF SERVICE

I certify by signature above that a copy of this document will be served on the parties listed below by U.S. Mail and email on this the 13th of November, 2017 in accordance with 16 TAC § 22.74.

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ATTACHMENT A

DOCKET NO. 45391

APPLICATION OF RANCH UTILITIES,	§	PUBLIC UTILITY COMMISSION
L.P. AND EMCAD WATER AND	§	
WASTEWATER, LLC FOR SALE,	§	OF TEXAS
TRANSFER, OR MERGER OF	§	
FACILITIES AND CERTIFICATE	§	
RIGHTS IN PARKER COUNTY	§	

JOINT PROPOSED NOTICE OF APPROVAL

This notice addresses the application (“Application”) of Ranch Utilities, L.P. (“Ranch Utilities”) and EMCAD Water and Wastewater, LLC (“EMCAD”) for the sale, transfer, or merger of facilities and certificate rights under Ranch Utilities’ CCN No. 21064 in Parker County (Sugar Tree Subdivision) and the transfer of the same from Ranch Utilities to EMCAD and the incorporation of a portion of the sewer system into Purchaser’s new CCN. The Application is approved.

The Commission adopts the following findings of fact and conclusions of law:

I.

FINDINGS OF FACT

Procedural History, Description, and Background

1. Ranch Utilities is the seller/transferor of certain facilities and corresponding certificated area in Parker County under CCN No. 21064.
2. EMCAD is the purchaser/transferee of the facilities and corresponding certificated area in Parker County under CCN No. 21064.

3. On November 24, 2015, Ranch Utilities and EMCAD filed an Application with the Commission for approval to sell a portion of the sewer system of Ranch Utilities held under CCN No. 21064 to EMCAD.

4. On December 3, 2015, Order No. 1 was issued requiring comments on the administrative completeness of the Application. On December 29, 2015, Commission Staff filed a response to Order No. 1, clarifying the intended effect of the transaction. On February 25, 2016, Staff filed its supplemental recommendation on administrative completeness.

5. On January 6, 2016, Order No. 2 was issued finding the Application incomplete and deficient; establishing deadlines and an opportunity to cure.

6. On January 19, 2016, Ranch Utilities filed a response to Order No. 2.

7. On February 29, 2016, Order No. 3 was issued deeming Application sufficient; addressing notice and establishing procedural schedule.

8. On March 8, 2016, Admin Completion Response was filed.

9. On April 1, 2016, Notices and Publication were filed.

10. On May 23, 2016, Staff filed its First Request for Information to EMCAD.

11. On June 13, 2016, Response to Request for Information was filed.

12. On June 29, 2016, Staff filed its recommendation on final disposition.

13. On June 30, 2016, Order No. 6 was issued approving sale/transfer to proceed.

14. On August 25, 2017, Ranch Utilities filed Notice of Proof that the transaction has been consummated and the customer deposits were properly addressed.

15. On September 14, 2017, Staff filed its recommendation on sufficiency of closing documents.

16. On September 18, 2017, Order No. 9 was issued finding the closing documents insufficient, establishing deadlines.

17. On September 22, 2017, Ranch Utilities filed Amended Notice of Proof that the transaction has been consummated and customer deposits have been properly addressed.

18. On September 28, 2017, Staff filed its supplemental recommendation on sufficiency of closing documents.

19. On October 2, 2017, Order No. 10 was issued, finding closing documents sufficient and establishing deadlines.

20. On October 31, 2017, EMCAD filed its consent form.

21. On November 3, 2017, Ranch Utilities filed Response to Order No. 10 (consent form and map).

Notice

23. Notice of the Application was published in the *Weatherford Democrat* in Parker County on March 6, 2016 and March 13, 2016.

24. Mailed notice was provided to current customers and affected municipalities on March 2, 2016.

Informal Disposition

25. The requirements for informal disposition under 16 Tex. Admin. Code § 22.35 have been met in this proceeding. At least 15 days have passed since the completion of notice requirements, and it is not necessary to hold a hearing on the merits regarding the application.

II.

CONCLUSIONS OF LAW

1. The Commission has jurisdiction over the proceeding under Tex. Water Code §§ 13.041, 13.241, 13.244, 13.246, 13.251, 13.254, and 13.301.

2. EMCAD is a retail public utility, as defined by Tex. Water Code § 13.002(19) and 16 Tex. Admin. Code § 24.3(59).

3. Public notice of the Application was provided as required by Tex. Water Code § 13.301(a)(2) and Tex. Admin. Code §§ 24.109(a)-(c).

4. The Application was processed in accordance with the requirements of the Tex. Water Code § 13.301 and 16 Tex. Admin. Code § 24.109.

5. After consideration of the factors in Tex. Water Code § 13.246(c), EMCAD has demonstrated adequate financial, managerial, and technical capability for providing adequate and continuous service to the requested area.

6. Ranch Utilities and EMCAD have demonstrated that the sale and transfer of a portion of the sewer system of Ranch Utilities and the associated CCN requested in the Application are necessary for the service, accommodation, convenience, and safety of the public.

7. Pursuant to Tex. Water Code § 13.257(r) and 16 Tex. Admin. Code § 24.106(e), EMCAD is required to record a certified copy of the approved CCN and map, along with a boundary description of the service area, in the real property records of Parker County where the service area is located, and submit to the Commission evidence of the recording.

8. The requirements for informal disposition pursuant to 16 Tex. Admin. Code § 22.35 have been met in this proceeding.

III.

ORDERING PARAGRAPHS

The Commission issues the following ordering paragraphs in accordance with these findings of fact and conclusions of law:

1. The Application is approved.
2. The sale and transfer of a portion of the sewer system of Ranch Utilities under CCN No. 21064 is approved.
3. EMCAD's new CCN No. 20816 reflects that EMCAD will be providing sewer service to portions of Ranch Utilities' formerly certificated area in Parker County (Sugar Tree Subdivision).
4. EMCAD shall service every customer and applicant for service within the areas previously served by Ranch Utilities under CCN No. 21064 and transferred from those areas, and such service shall be continuous and adequate.
5. EMCAD shall comply with the recording requirements of Tex. Water Code § 13.257(r) for the areas of Parker County (Sugar Tree Subdivision) affected by the Application and submit to the Commission evidence of the recording not later than 31 days after receipt of this Notice.
6. All other motions, requests for entry of specific findings of fact or conclusions of law, and any other requests for general or specific relief, if not expressly granted in this Notice of Approval, are hereby denied.

SIGNED AT AUSTIN, TEXAS, the ____ day of _____, 2017.

Administrative Law Judge